

## **NATIONAL GUARD/LAW ENFORCEMENT RETIREMENT PLAN NEW EMPLOYER GROUP**

### **ENROLLMENT INFORMATION**

NDPERS is a Defined Benefit Hybrid plan that pays vested members a retirement benefit, which is generally based on compensation, benefit multiplier, and years of retirement service credit. A vested member will receive the benefit determined under the plan regardless of the performance of the plan's investments. A member becomes vested when achieving 36 months (3 years) of continuous service credit. This retirement program also includes death and disability benefits.

Law sets the level of retirement contributions to the pension plan. Employers pay 7.43% of eligible payroll and employees contribute 4% of eligible payroll (or employers may contribute all or any portion of the employee's contribution). Overtime hours are excluded from payroll when determining retirement contributions.

Individuals who are eligible for a monthly pension benefit also have the right to participate in the NDPERS health insurance after retirement. If he/she elects to participate, he/she will receive the additional benefit of a tax-free retiree health insurance credit towards his/her health insurance. (Up to \$4.50 for every year of retirement credit accumulated in the system, subject to early retirement reductions).

In the event a North Dakota governmental unit wishes to enroll in the retirement program, the following questions need to be addressed in a letter to NDPERS to determine the agency's eligibility. NDPERS cannot provide suggested language for drafting responses. A governmental unit's business or legal counsel had assist.

1. Is the agency created by North Dakota statute or organized pursuant to a North Dakota Statute? If so, please provide citation.
2. What is the purpose of the agency?
3. What is the agency's funding source?
4. Is the agency a non-profit corporation or a for-profit corporation? If a for-profit corporation, please include a copy of the articles of incorporation.

Upon receipt of the above requested letter, NDPERS and its legal council will review and determine if an agency is an eligible political subdivision.

In the event an agency qualifies, a signed board resolution is required prior to NDPERS sending the agency an "Employer Participation Agreement" and enrollment materials.

The board resolution must be stated as follows:

**A motion was made by {Insert Board Member Name} for «Agency» to affirm to North Dakota Public Employees Retirement System that «Agency» is formed pursuant to N.D.C.C. § (Insert citation) and is neither a non—profit corporation nor a for-profit corporation, to join the NDPERS National Guard/Law Enforcement Retirement Plan and offer the plan to all eligible employees of the «Agency». The motion was seconded by {Insert Board Member Name}. The Board approved joining the NDPERS National Guard/Law Enforcement Retirement Plan effective {Month 1, Year}.**

**SAMPLE ADMINISTRATIVE AGREEMENT- NOT FOR EMPLOYER USE**

**EMPLOYER PARTICIPATION AGREEMENT IN THE  
NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM  
NATIONAL GUARD/LAW ENFORCEMENT RETIREMENT PLAN**

This agreement is entered into pursuant to Section 54-52-02.1 of the North Dakota Century Code by and between «AGENCY», «CITY», North Dakota, as authorized by the resolution hereto attached and the NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM as authorized by the Retirement Board through its chairman and executive director and shall be effective on «DATE».

Whereas, a referendum has been held of the eligible peace officers and correctional officers of «AGENCY», «CITY», North Dakota, pursuant to Chapter 54-52-02.2 of the North Dakota Century Code, and a majority of such eligible employees have voted in favor of participation in the Retirement System and «AGENCY» has determined that this agreement should be entered into; and

Whereas, the North Dakota Public Employees Retirement Board agrees to extend the benefits of the Public Employees Retirement System to eligible employees of «AGENCY»;

Now, therefore, it is agreed and understood that:

1. All of the provisions of Chapter 54-52 of the North Dakota Century Code and the current or later amended rules of the Retirement Board shall apply with regard to benefits, contributions and administration of the system.
2. The employee contribution rate has been actuarially determined to be 4.00% of "wages" and "salaries" as defined in Section 54-52-01 of the North Dakota Century Code for those eligible employees employed at the date of this agreement and for those eligible employees whose date of employment is after the effective date.
3. The employer contribution rate shall be a percentage of "wages" and "salaries" for all eligible employees as defined in Sections 54-52-01 of the North Dakota Century Code, which specific percentage shall be determined by the retirement board. (Ref. NDCC 54-52-06 and 54-52.1-03.2.)
4. Eligible employees who are employed by «AGENCY» at the time this agreement is entered into have the option of not participating in the Public Employees Retirement System. Eligible employees who waive participation in the Public Employees Retirement System may not have their pay increased as a result of that waiver, which determination shall be made by the retirement board in its sole discretion, and any violation of this requirement will constitute a breach of this agreement.

5. All eligible employees hired by «AGENCY» on or after «DATE» , must participate in the Public Employees Retirement System.
6. Should «AGENCY» wish to terminate membership with the Public Employees Retirement System, it shall do so only after:
  - (a) Submitting a request in writing to the Retirement Board at least sixty (60) days prior to the requested date of withdrawal; and
  - (b) Complying with Section 54-52-02.1 of the North Dakota Century Code and the Rules of the Retirement Board regarding withdrawal from the system.
7. This Agreement may be amended in writing by mutual agreement of both parties.
8. If the «AGENCY» fails to perform according to its statutory participation requirements and the terms of this agreement, the NDPERS Board may terminate the «AGENCY»'s enrollment in NDPERS. The termination shall be performed pursuant to the withdrawal procedures outlined in N.D.C.C. ch. 54-52.

Executed at \_\_\_\_\_, North Dakota, this \_\_\_\_ day of \_\_\_\_\_, 2003.

«AGENCY»

By \_\_\_\_\_

By \_\_\_\_\_

Executed at Bismarck, North Dakota, this \_\_\_\_ day of \_\_\_\_\_, 2003.

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT BOARD

By \_\_\_\_\_  
Executive Director

## INDEMNITY ADDENDUM

This agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the North Dakota Public Employees Retirement System (PERS) and \_\_\_\_\_ (Employer). This agreement is an addendum to the \_\_\_\_\_ executed on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

- I. Purpose. The purpose of this agreement is to provide a separate writing pursuant to N.D.C.C. § 32-12.2-13 evidencing the parties' intent that Employer indemnify and save and hold harmless PERS as provided in section II of this agreement. This agreement does not change the rights and responsibilities set out in the Participating Employer Agreement other than as specifically provided in this agreement.
- II. Employer Responsibilities. Employer agrees to indemnify and save and hold harmless PERS for any loss, damage, claim, or expense, including reasonable attorney fees, arising in connection with any actions taken or omitted by the Employer pursuant to the Participating Employer Agreement to which this agreement is an addendum.
- III. PERS Responsibilities. PERS will allow Employer to participate in the relevant program as provided in the Participating Employer Agreement to which this agreement is an addendum.

IN WITNESS WHEREOF, the undersigned have executed the Agreement this \_\_\_\_ day  
of \_\_\_\_\_, \_\_\_\_\_.

Employer:

NDPERS:

Signature \_\_\_\_\_ Date \_\_\_\_\_

Sparb Collins  
Executive Director, NDPERS

Name (printed)

Title